

## STATE OF VERMONT

## HUMAN SERVICES BOARD

In re ) Fair Hearing No. 14,038

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Appeal of )

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INTRODUCTION

The petitioner appeals the decision of the Department of Social Welfare to decrease his Food Stamps and to deny him Medicaid.

FINDINGS OF FACT

1. The petitioner is a disabled man who receives \$745 per month in Social Security benefits. Until recently, he and his wife received Food Stamps and Medicaid as one household unit. However, his wife has moved out and he now lives alone.
2. Upon learning that he is now a one person household, the Department recalculated his Food Stamp and Medicaid eligibility. He was notified on November 7, 1995 that his Food Stamps would be reduced to \$10 per month starting in November with a proration to \$9 because his eligibility did not start at the beginning of the month. His benefit for December was calculated to be \$12 per month. He was also notified that his Medicaid application had been denied because of his income and he was assigned a "spend down" amount of \$252 per six month period to become eligible for those benefits.
3. The petitioner's Food Stamp eligibility was calculated by deducting a standard allowance of \$134 from his \$745 Social Security payment for a countable income of \$611. The petitioner's shelter and utility cost was calculated at \$562 per month. Next, half of the \$611, or \$305.50, was subtracted from the shelter cost to obtain an excess shelter amount \$256.50 which was further deducted from the \$611 figure for a final countable income of \$354.50. That countable income was found to qualify the petitioner for \$12 per month in Food Stamp benefits.
4. The petitioner's Medicaid benefits were calculated by allowing a \$20 per month disabled person deduction for a countable income of \$725 per month. No further deductions were allowed from this amount. That amount was then compared with the protected income level of \$683 and it was determined

that the petitioner had \$42 per month available for his medical expenses. That amount multiplied by six months amounted to a \$252 spend-down amount.

5. The petitioner appealed because he does not believe he has sufficient income to meet his expenses without greater Food Stamp and Medicaid assistance. He agrees that his utility and shelter expenses are currently no more than that allowed by the Department. However, he also believes consideration should be given to his car insurance expenses of \$53 per month, his cable TV charges of \$23 per month, his food expenses of \$200-250 per month, and clothing and toiletry expenses of \$50 per month.

### ORDER

The decision of the Department is affirmed.

### REASONS

The petitioner's Social Security benefits must be considered and counted as unearned income when eligibility for Food Stamps is determined. F.S.M. 273.9(b)(2)(ii). Because the petitioner is disabled, his household is required only to meet the net income, not the gross income, eligibility standard in the Food Stamp program. F.S.M. 273.9(a). The maximum net income for a one person household is \$623 per month. P-2590C.

Net income is determined by allowing certain deductions from gross income pursuant to the regulations at F.S.M. 273.9(d)(1-8). Deductions potentially applicable here can be summarized as follows:

(1) A \$134 standardized deduction available to everyone. See P-2590A (1).

(2) A deduction for medical expenses (including medical and dental care, prescriptions, hospitalization and health insurance policies) in excess of \$35 per month.

(3) A deduction for shelter expenses which are in excess of 50 percent of the household's income after (1) and (2) above are deducted. Shelter expenses include the cost of mortgage or rent payments (including lot rent), property taxes, insurance payments on the dwelling, heating and cooking fuel, cooling, electricity, sewerage, garbage and trash collection, and basic telephone service.

The petitioner was given the standard deduction in this case. The second deduction for excess medical expenses was not given to the petitioner because he presented no evidence that his outlay for medical expenses is in excess of \$35 per month. His shelter expenses were considered and he did receive a credit for the amount of expenses he has that are in excess of fifty per cent of his income.

The petitioner indicated in his testimony that he has certain monthly expenses which he would like taken into consideration in determining the amount of his Food Stamp benefit. However, there is nothing in the regulations which require or allow the Department to deduct other ordinary household expenses from his income to increase the amount of his Food Stamp benefit. The \$354.50 countable income figure established by the Department is thus correct. That amount entitles a one person household to \$12 in monthly Food Stamp benefits. P-2590D.

Under the Medicaid regulations at M242(1), Social Security income must be included in determining

eligibility for Medicaid benefits. Certain deductions, primarily for child support or work expenses, are allowed in order to obtain a net countable income figure, including a \$20 blanket disregard from unearned income for aged, blind or disabled persons. M243.1(2). No deductions are allowed for household expenses.

In this case, the Department followed the applicable regulations to calculate the petitioner's countable income of \$725 per month. He received the \$20 disability disregard and has shown no facts under which any other disregards can be applied. Under the procedures adopted by the Department, a group consisting of one disabled person cannot be eligible unless it has \$683 per month or less. P2420-B.

However, under M402, "a person who passes all eligibility tests, except that his or her Medicaid group's monthly income is more than any other income tests for which he/she may be eligible may qualify. . ." if he can "show that his or her Medicaid group has paid or incurred medical expenses. . .at least equal to the difference between its countable income and its Protected Income Level". A six month accounting period is employed to make this determination. M414. The Department determined that the petitioner had to incur \$252 before he can be Medicaid eligible. That amount was calculated by taking the difference between the \$725 in countable income and the \$683 protected income level, or \$42, and multiplying that excess by 6 months. As the methodology employed is consistent with the regulations and procedures, this determination must be upheld. 3 V.S.A. § 3091(d) and Fair Hearing Rule 17.

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